

IN RE: Revisions to Articles 3 and 4 of the) ORDER
Commission's Regulations) PROMULGATING
) REGULATIONS

In 2004, the General Assembly passed Act No. 175, which restructured the Public Service Commission. The Act modified the structure and functions of this Agency and created the Office of Regulatory Staff (ORS). Several duties of the Commission were transferred to ORS on January 1, 2005. The purpose of the revisions to 26 S.C. Code Ann. Regs. 103-300, *et seq.* (1976 and Supp. 2005) and 103-400, *et seq.* (1976 and Supp. 2006) was to amend Articles 3 and 4 to conform to the new standards set out by Act No. 175 of 2004.

In the May 2007 issue of the State Register, the new regulations proposed by this Commission, a Statement of Need and Reasonableness for these regulations, and a

Preliminary Fiscal Impact Statement were published. The Commission also published a Notice of Public Hearing, which stated that the Commission had scheduled a hearing for July 24, 2007, at 2:00 p.m. to take place in the Commission's Hearing Room.

A hearing was held at that date and time in the Commission's Hearing Room, with the Honorable G. O'Neal Hamilton, Chairman, presiding. All jurisdictional documents were submitted into the record as a Hearing Exhibit, which was admitted into evidence. Jocelyn Boyd, Deputy Clerk, outlined the proposed changes in the Commission's Practice and Procedure Regulations to conform to Act No. 175 of 2004. Other presenters proposed modifications to the proposed regulations, including representatives of the electric and gas industries and the ORS. Further, as per permission of the Chairman, further written proposals were presented by correspondence submitted after the hearing.

Ms. Boyd presented a document which was accepted into evidence as Hearing Exhibit 2. This document memorialized changes to the proposed regulations which had been agreed upon by the various stakeholders. These changes encompassed modifications to Regulations 103-312.1 (related to the annual report), -340(6) (which would include a reference to subsection 4), -391 (deleting the word "accident" and replacing it with "incident"), -412.1, (related to the annual report), -425 (addressing meter configuration and impairment), -465 (regarding the monitoring of inactive service lines), and -493 (addressing leakage notification, repair and reporting).

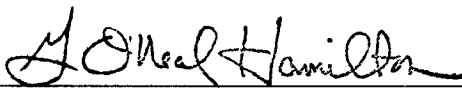
The Commission has considered this matter and finds that the proposed changes to Article 3 and 4 regulations, including those changes found in Hearing Exhibit 2,

discussed during the hearing, and/or received in post-hearing correspondence as addressed above, are reasonable, and that a need also exists to conform these regulations to the provisions of Act No. 175. Based on the record as a whole, the Commission finds that the requisite need and reasonableness have been met and that the changes to the regulations as outlined above should be promulgated.

IT IS THEREFORE ORDERED THAT:

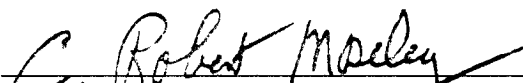
1. The changes to the Article 3 and 4 regulations as described above are hereby promulgated.
2. These regulations shall be submitted to the General Assembly for review pursuant to State law.
3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



G. O'Neal Hamilton, Chairman

ATTEST:



C. Robert Moseley, Vice Chairman

(SEAL)